

June 30, 2014

## VIA ELECTRONIC FILING

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268

Dear Ms. Dortch:

Please find attached, on behalf of the Expanding Opportunities for Broadcasters Coalition (the "Coalition"), a letter from Professor Peter Cramton of the University of Maryland requesting that the FCC release the current source code for the feasibility checking methods that the FCC will employ in the reverse auction.

The Coalition believes that the release of this source code will further the Commission's goals of providing transparency to the auction process and generating the interest among broadcasters that is critical to the success of the auction.

Respectfully Submitted,

## <u>/s/ Preston Padden /s/</u>

Preston Padden Executive Director Expanding Opportunities for Broadcasters Coalition Marlene H. Dortch, Secretary June 30, 2014 Page 2



cc: Gary Epstein

Howard Symons Renee Gregory Peter Cramton
Professor of Economics
+1 240 479 9345 pcramton@gmail.com www.cramton.umd.edu

26 June 2014

Gary M. Epstein Head of Incentive Auction Task Force Federal Communications Commission Washington DC

Dear Mr. Epstein:

In preparation for the Incentive Auction, the FCC under your leadership has done a great deal of important work to develop feasibility checking methods. Feasibility checking is a basic component of the proposed reverse auction. Potential bidders seeking to understand the implication of various scoring rules or other auction rules need to employ feasibility checking methods. Thus, in the interest of a successful auction and especially the goals of efficiency, transparency, and fairness, please release the source code for the feasibility checking methods that the FCC is employing. Doing so will avoid the costly duplication of effort among potential bidders. Failing to do so favors the largest potential bidders, who are in a better position to absorb substantial development costs, and undermines competition.

I do understand that the feasibility checking methods are a "work in progress." These methods will surely evolve and improve as we get closer to the auction date. However, this is no reason to delay the release of the current source code, which will aid potential bidders in their own development efforts. Further, it is both possible and desirable to post revisions to feasibility checking methods as they are refined and tested. I would recommend providing updates on a quarterly basis up until the auction event.

The benefits of open source are well understood, but in this case the benefits are vastly stronger. One of the most basic rules of auctions is the importance of reducing bidder participation costs. The release of the source code for the feasibility checker clearly reduces broadcaster participation costs. Although not all broadcasters will want to develop feasibility checkers, many will. And all potential participants will benefit from the improved understanding of the auction that the feasibility checker allows.

Many thanks for your prompt attention to this important issue. Broadcaster participation is essential to the Incentive Auction, and release of feasibility checking methods will encourage participation in and understanding of the Incentive Auction. And of course the release of the feasibility checker would be 100% consistent with Chairman Wheeler's wise statement on June 25, "As FCC Chairman, I'm committed to ensuring broadcasters have all the information they need to make an informed business decision about whether and how to participate in the Incentive Auction."

Please let me know if you have any questions about this request.

Sincerely yours.

Peter Camton